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ANNUAL REPORT



kainC+CTM
CHARITABLE
FOUNDATION

UNLOCKING COMPASSION TO CHANGE OUR WORLD



JOHN KAIN FOUNDER

CONTENTS

Founder's Vision	2
Chairperson's Report	3
Director's Report	4
Projects	5
Adelaide Homeless Project	6
Disadvantaged Youth Project	8
Uganda Project	11
Corporate Partners	14
Governance	16
Financial Report	18
Financial Statements	20
Glossary	25

FOUNDER'S VISION

The Kain C+C Charitable Foundation was established in 2005 based on the premise that those employed at Kain C+C Lawyers occupy a position of privilege. With that privilege comes responsibility.

When John Kain made the decision to start his own legal business in 2004, he did it on the proviso that he would honour his responsibility to help others and etch in the culture of his business an ethos of philanthropy. In doing so, Kain C+C Lawyers and the Kain C+C Charitable Foundation are forever linked.

The mission of the Foundation is 'unlocking compassion to change our world'. John realised that such a bold mission can not be achieved alone. The principal purpose of the Foundation is to create leverage through the Kain C+C network of employees, clients and associates to work together to achieve the Foundation's mission.

To John, the projects that the Foundation undertakes were never the most important things. The most important things were to impact people's thinking and drive meaningful and positive change. Therefore, Foundation projects must allow participants to have hands on involvement, not just a financial interest, and they must be targeted towards those areas where our support will drive an incrementally large difference to people's lives.

While John continues to approach his philanthropic efforts with vigour, he has now devolved responsibility for the operations of the Foundation to an independent board. While change is inevitable and the projects that are supported will evolve over time, the ideals of the Foundation will not waver from those envisaged by the founder.



CHAIRPERSON'S REPORT

The Kain C+C Charitable Foundation has celebrated a year of progress. Our Foundation has achieved much over the year and this is testament to our Corporate Partners, other supporters and the willing volunteers who contribute to assisting people in need.

At the beginning of this year we challenged ourselves to meet and exceed our own targets for the year. We wanted to improve our performance to ensure we maximised the return for the people we wish to help.

Our major focus is to achieve our Mission of "unlocking compassion to change our world". While we recognise we are currently only making a modest contribution to this change it is important that we continue to do so and build on our success.

In FY12 we continued our programs at Hutt Street Centre and expanded our education activities to include cooking classes, literacy support and photography. This is in addition to our free legal clinics at the Centre. The appreciation from the homeless at the Centre is a major source of satisfaction for our volunteers.

We also continued our involvement with The Smith Family through our Disadvantaged Youth Project and this involved mentoring students and a practical session on preparing students for life after school. Another highlight of the year was the successful trip to Uganda. A group of Corporate Partner employees provided practical support to disadvantaged children and adults and gained a greater depth of understanding of the predicament the people of Uganda face daily.

It is the combination of the doing and the seeing and absorbing that is so powerful for our volunteers. It is one thing to help people and another to gain an insight into how they live and the way they get on with life in the best way they can in very difficult circumstances.



RAY PINCOMBE CHAIRPERSON

The combination of the experiences all our volunteers had in each of the projects highlights the reasons for the development of the Foundation and makes it all the more beneficial for both volunteers and recipients.

Another good outcome for the year was the progress made in building relationships with our Corporate Partners. It was important to recognise the significant role they have played in helping the Foundation to achieve the objectives set out in our Three Year Plan. The financial and in kind support provided was an important part of making FY12 a successful year for the Foundation. We also benefited from the good planning we did leading into this year with the development of our Three Year Plan providing a good platform. We are pleased to have achieved so much from our strong planning approach.

From a governance perspective the Foundation made two significant appointments to our Board during the year with Michael Richardson of Kain C+C being appointed as our inaugural Managing Director and Phil Kightley of Two Hands Wines being appointed as an Independent Director. Both have provided valuable new insight in moving the Foundation towards its objectives. Michael and Phil replaced Michelle Hutton and Pat Hodby who both resigned as Directors during the year to pursue other interests. My thanks also go to Julie Kerr, our Operations Officer who provides wonderful support to the Board and to our volunteers and Sarah Chia whose passion and commitment to the Foundation is unrivalled.

The year ahead will hold many opportunities and challenges. As well as continuing to develop our three projects we will be reviewing the Foundation's marketing and branding. This review will include naming and branding, updating the website and the development of PR materials to promote the work of the Foundation.

We will assess the performance of the Foundation and develop a long term strategy for the next phase of operation. Our fundraising model will also come under scrutiny as we look to secure long term funding and plan to make best use of these funds to assist the people we have pledged to support.

In addition we will continue to build the relationship with our Corporate Partners and look for opportunities to involve them in our program delivery.

In closing I would like to thank all the volunteers who make the Foundation a success. It is their compassion and goodwill that helps create the opportunity for people to grow and experience joy in living.

I look forward to building on FY12 as we go into the coming year with great expectations.



DIRECTOR'S REPORT

Having begun as a funnel through which members of the Kain C+C Lawyers' team could make financial contributions to those in need, the Foundation has become an established charitable entity, steadily refining its governance structure and consolidating its financial support base.

Kain C+C Lawyers support

In 2012, the Foundation continued to enjoy the support of a number of Corporate Partners and other individuals in the community committed to helping the Kain C+C Charitable Foundation achieve its Mission.

An integral part of the Foundation's support structure continues to be provided by the team members at Kain C+C Lawyers, all of whom make an outstanding contribution to the Foundation.

Throughout FY12, Kain C+C Lawyers and its team members:

- spent 944 hours working directly on Foundation projects which equates to one week per year per full time team member;
- donated 1.03% of their gross salary (before tax) to the Foundation which is matched dollar for dollar by Kain C+C Lawyers;
- contributed a total of \$59,752 of cash and in kind donations to the Foundation; and
- spent additional hours providing administrative support to the Foundation to ensure that donations received are spent on Foundation projects rather than administration costs.

Major projects

The Adelaide Homeless Project has continued its work through the Housing Legal Clinic, providing \$94,526 of pro bono legal services and more than 100 hours of computer literacy training and other educational activities to clients of Hutt Street Centre.

During FY12 the Foundation continued work on its third major project, the Disadvantaged Youth Project, run in conjunction with The Smith Family. This project aims to break the cycle of generational unemployment by assisting Adelaide youth to reach their potential through improved education.

In August 2011, a project team from Kain C+C Lawyers and other Corporate Partners travelled to Uganda to build the second level of a students' dormitory in Suubi Village, in partnership with Watoto. The team also visited a range of other institutions catering for orphans and the destitute to undertake work and donate goods brought from Australia.

A detailed report on each of the Foundation's major projects is contained in the following section.



PROJECTS

Funding principles

To honour its Mission, the Foundation seeks projects that demonstrate many of the following criteria:

HANDS-ON ROLE	Involve both financial and 'hands on' support, so that the Foundation better understands the outcomes that the projects are intended to achieve
SCALABLE	Able to be replicated in other locations or contexts
SUSTAINABLE	Able to be self sustaining with a continuing long term impact beyond the Foundation's period of support
MEASURABLE	Identifiable outcomes with both short- and long-term KPIs
PREVENTION	Address the cause of problems rather than treat the symptoms
MOST IN NEED	Receive limited government funding or philanthropic support
MINIMAL RESOURCES	Have low administration costs; solid and proven administration and strong volunteer support





ADELAIDE HOMELESS PROJECT

Summary

SERVICE PARTNERS	Hutt Street Centre Welfare Rights Centre
CORPORATE PARTNER	Kain C+C Lawyers
COMMENCEMENT DATE	February 2007
TARGETED TOWARDS	South Australia's 7,963 homeless people ¹
SERVICES PROVIDED	Two hour free legal advice every Monday morning One-on-one computer literacy training sessions and other activities through the education program - CREATE Space
KEY OUTCOMES THIS YEAR	\$94,526 worth of free legal advice during FY12 111 hours of computer literacy training and other educational activities

¹Australian Census Analytic Program: Counting the Homeless, 2006.



Need for assistance

People who are living on the street or who are at risk of becoming homeless face many, seemingly insurmountable, legal issues every day. These issues range from housing and tenancy applications and disputes, to matters involving serious violence and abuse. To these people, legal assistance can seem like a foreign concept reserved only for those who can afford it.

Objectives

In 2007 the Foundation, in conjunction with the Welfare Rights Centre, identified the need for greater legal support for Adelaide's disenfranchised homeless community. In conjunction with Kain C+C Lawyers, the Foundation conceived the Adelaide Homeless Project. This project is based on working with Hutt Street Centre (one of Adelaide's leading frontline homeless support providers) to:

- prevent homelessness by fighting the eviction of public and private tenants; and
- reduce the marginalisation of those who are homeless or at risk of homelessness.

The Adelaide Homeless Project was launched in February 2007 and has been operating successfully ever since.

Services provided

Every Monday morning, two lawyers from Kain C+C Lawyers conduct a free legal clinic at Hutt Street Centre, providing advice to the homeless and those at risk of becoming homeless.

At the same time the non-legal members of the Kain C+C Lawyers' team work directly with clients of Hutt Street Centre to teach them a variety of life skills. During FY12, the Adelaide Homeless Project provided \$94,526 worth of free legal services and more than 111 hours of other training activities.

Outcomes achieved

Hutt Street Centre's education program, CREATE space, offers a safe learning environment to develop foundation skills to increase opportunities for community participation, further learning and employment. Hutt Street Centre, which is a registered provider of Adult Community Education, partners with TAFE SA and the Department of Further Education, Employment, Science and Technology (DFEEST) to offer a range of programs.

Eighty-two people participated in education activities at Hutt Street Centre during FY12, with Kain C+C Lawyers' non-legal team members playing a pivotal role in meeting the needs of learners through weekly one on one computer literacy training. Due to the ongoing support of those volunteers the education program has expanded its suite of activities to include cooking classes, Scrabble mornings, literacy support, photography and computer training.

Colleen Hume, a Kain C+C Lawyers' team member, says of her monthly Scrabble mornings "I have time to play two games and everyone seems to enjoy it. Some of the players are very good - last time they whipped me! I think it is a great game and it is educational and fun as well."

The confidence and skills gained in the education program assists participants to transition into further learning, community involvement and employment. Currently, six participants of the program are participating in certificate courses at TAFE SA and Red Cross College. In recognition of the fact that the cost of the course, \$250, is the hardest part for people also challenged by homelessness and poverty, the Foundation has also donated funds to help cover those costs. One of the participants tells her story below.

SUE'S STORY

"I came to Australia from New Zealand in June 2011, not realising that every job here requires a certificate. I obtained a position and a room in a house for about six months, then the landlord decided to sell the house. I could not get accommodation in the area and the job relied on living locally.

I returned to the CBD in March and spent a few months 'living' at the Sobering Up Unit on compassionate grounds. As a New Zealander I am not eligible for Centrelink so had no money for accommodation. I then met a man, also homeless, and we are now engaged. We are living in a small van (delivery type) in the Parklands with his dog. The two of us live on his disability pension.

I would like to thank you very much for the financial assistance towards my Certificate III in Aged Care. I am looking forward to completing my studies, getting work and finally being able to move into a house. Without financial help I would not have been able to do the course. Thank you very much again. You have no idea the burden you have taken from me."

DISADVANTAGED YOUTH PROJECT

SERVICE PARTNER	The Smith Family
CORPORATE PARTNERS	Kain C+C Lawyers Two Hands Wines
COMMENCEMENT DATE	March 2007
TARGETED TOWARDS	Disadvantaged children and young people all the way through their education from pre-school to tertiary studies
PROGRAMS PROVIDED	One-on-one online mentoring for disadvantaged students through the iTrack program and career advice through the Next Steps program
KEY OUTCOMES THIS YEAR	Four Kain C+C Lawyers' team members participated in iTrack during FY12 The Next Steps program was run by Kain C+C Lawyers in March 2012

Need for assistance

While many consider Australia to be a land of opportunity, statistics show that the gulf between the haves and have-nots in Australia has widened with the top 20% of Australian households owning 62% of Australia's total wealth and the bottom 20% sharing just 1%²

In metropolitan Adelaide, and rural South Australia, many families have financial struggles. The effect of financial difficulties can have a widespread impact, particularly on children.

Because the Foundation aims to see its projects have impact beyond the immediate assistance it gives, the Foundation decided to address economic and social disadvantage in ways designed to 'break the cycle' of disadvantage, rather than provide 'handouts' as a short term solution to the problem.

This principle underlies the Foundation's continuing partnership with The Smith Family, whose motto is 'helping disadvantaged Australian children realise their potential through education'.

²Australian Bureau of Statistics, Year to May 2012.





Objectives

The Foundation seeks to support disadvantaged youth in South Australia in their educational pursuits – to keep them engaged and to assist them in transitioning to the workforce.

The Foundation supports The Smith Family's 'Learning for Life' suite of programs, which:

- focuses efforts in communities identified as disadvantaged;
- incorporates a range of different methods and financial scholarships to support disadvantaged students from preschool to tertiary education – programs include emergent literacy and numeracy; comprehension; digital, financial, health and emotional literacy; tutoring; mentoring and employment skills coaching; and
- encourages sponsorship for primary, secondary and tertiary students, with funds available for all education-related expenses, for example fees, books, excursions, uniforms, sports clothing and bags.

Services provided

During FY12 the Foundation and Kain C+C Lawyers' team members provided funds and volunteer support to disadvantaged communities and students in South Australia by:

- sponsoring one primary school child to assist with educational and related expenses;
- providing funding to help support a Learning for Life worker in a disadvantaged South Australian community;
- providing four volunteers to participate in the iTrack online mentoring program for Year 10 students from Craigmore High School, in order to connect, motivate, support and inform students who are beginning to formulate their post-school plans; and
- running the Next Steps program for year 11 students from Fremont-Elizabeth City High School.

Outcomes achieved

Next Steps, March 2012

Next Steps is an employment skills coaching workshop for year 11 students. It aims to assist disadvantaged students make a successful transition from school to the workplace by offering a combination of theory (information sessions) and practice (virtual job searches, mock applications and interviews).

An insight into this program is provided by Chani Kimberlin, one of Kain C+C Lawyers' team members who, with Michael Richardson, facilitated the firm's Next Steps program for 2012.

"We had a consultant, Nick Joy, come in to share his tips for getting into the workforce, the importance of education and how to stand out from the crowd. The highlight of the first day was probably our mock interviews. The intention was to show the students what to do and what not to do in an interview.

On the second day we had fun getting to know the students with our healthy option ingredient pizza making class where all the students made their own pizzas (including the dough) for lunch. We also had a personal trainer come in and talk to the students about the importance of exercise, eating healthily and adequate sleep. Finally, the students completed an aptitude test to assist them to identify their strengths and assist them with career options.

On the feedback received, the students got the most value from the stories our staff shared about their career pathways.

It was amazing to see the students' confidence improve over two days and their sense of achievement after their mock interviews. Many students had not been aware of tools such as seek.com and the SATAC guide to plan for their future after school."



At least 20 other team members from Kain C+C Lawyers were also involved in some capacity from the mock interviews, doing a pizza cooking class and sharing career pathway stories.

And from the school's perspective:

On the 15th and 16th of March, 18 Year 11 students from Fremont-Elizabeth City High School participated in a Next Steps program run at Kain C+C Lawyers. Over the two days, students participated in career information seminars, resume writing exercises, role playing activities and mock interviews. At the end of day one, students were interviewed for a 'pretend job' by Kain C+C staff; this experience proved 'scary yet beneficial' for most students involved. Pizza making on the morning of day two came as a welcome relief for one lucky student who suggested, "I had no idea how hands on we were expected to be, it was exciting yet terrifying! I'm glad I was able to be a part of this."

The Next Steps program has been a huge success and gave a glimpse of just what is possible for our disadvantaged students if they just put their minds to it. The students of FECHS will be taking plenty of inspiration from their Next Steps experience.

Thank you Kain C+C Lawyers for giving some of our students the opportunity of a lifetime.

Looking forward

In FY13, the Foundation will continue to build on its relationship with The Smith Family, with the Next Steps program being run in September 2012 by Corporate Partner, Two Hands Wines. The program will be run again by the Kain C+C Lawyers team in March 2013.

The Foundation will also continue its participation in the iTrack online mentoring program in FY13.



UGANDA PROJECT

SERVICE PARTNERS	<p>Watoto Childcare Ministries</p> <p>Uganda Australia Christian Outreach</p> <p>Missionaries of the Poor</p> <p>M-LISADA Orphanage</p> <p>Gateway Mercy Orphanage</p>
CORPORATE PARTNERS	<p>Kain C+C Lawyers</p> <p>Two Hands Wines</p> <p>Perks</p> <p>Blue Sky Alternative Investments</p>
COMMENCEMENT DATE	1 July 2009
TARGETED TOWARDS	Uganda's 2.5 million orphans ³
SERVICES PROVIDED	<p>Housing and 'family' support</p> <p>Education (technical and commercial)</p> <p>Clothing, medicine and related support</p>
KEY OUTCOMES THIS YEAR	<p>Took part in a UACO walking clinic through the slums of Kampala and visited UACO's hospital</p> <p>Assisted with and helped fund the construction of a student dormitory in partnership with Watoto</p> <p>Worked with, and donated goods and funds to, the mentally or physically handicapped residents of MOP</p> <p>Visited and donated goods to M-LISADA and Gateway</p>

Need for assistance

In 2012, UNICEF estimated that 2.5 million of Uganda's estimated population of 34.5 million were orphans.

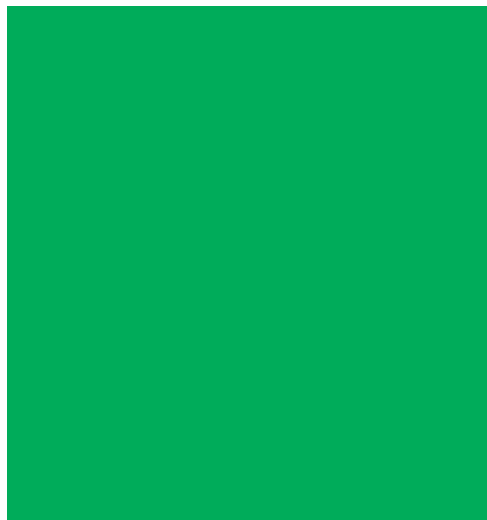
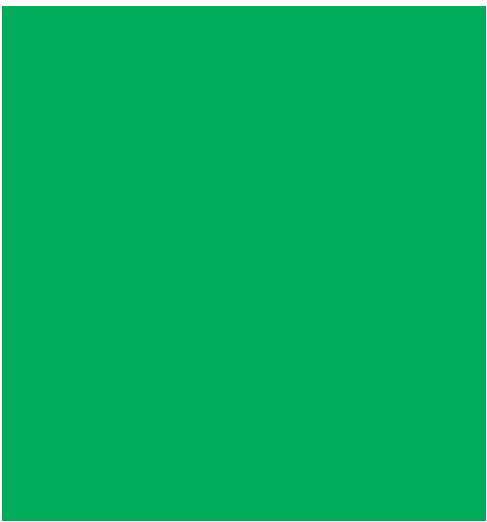
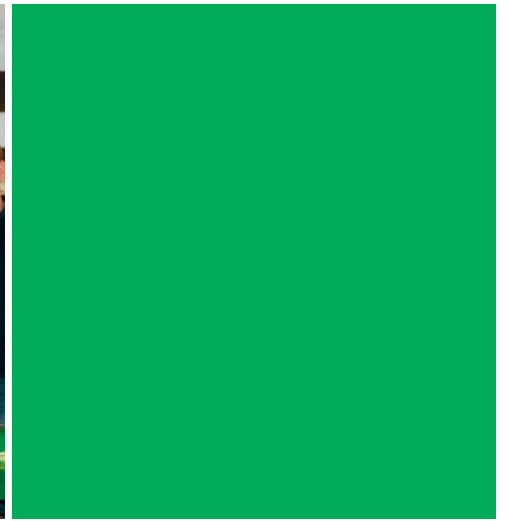
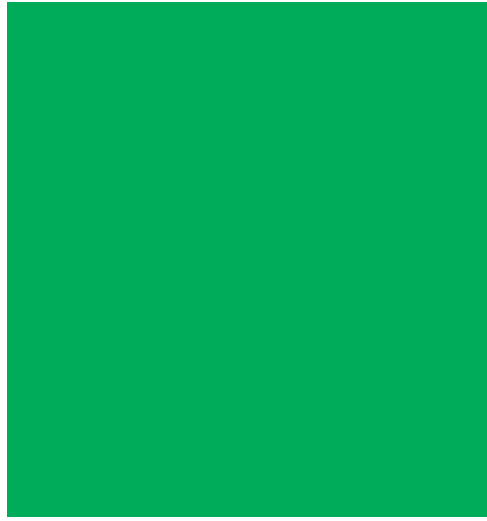
Those orphans often have no family, financial or medical support, survive on less than one meal a day, and do not have any education or prospects for the future. The Uganda Project aims to alleviate the problems faced by the millions of orphans in a country that has been ravaged by HIV/AIDS, war and other diseases by providing opportunities to receive an education and healthcare, and to have the skills to develop their local community.

Objectives

The Uganda Project aims to transform the lives of some of these children and other disadvantaged Ugandans by providing:

- a safe and secure home environment;
- the opportunity for an improved education; and/or
- access to healthcare services.

³UNICEF, UNICEF - Uganda - Statistics <http://www.unicef.org/infobycountry/uganda_statistics.html> estimated in 2012.



2011 project

In August 2011 a team from our Corporate Partners travelled to Uganda for ten days, where they first took part in the eye-opening UACO walking clinic through the slums of Kampala then toured the UACO hospital in Kampala, donating small gifts brought from Australia.

The main focus of the trip was the four days spent building the second level of a students' dormitory in Watoto's Suubi Village, to be occupied by 16 students who will attend school in the village. The team also visited the house in Suubi Village built by the Foundation's 2009 Uganda Project team and had lunch with the eight orphans and house mother living in that house.

When the building project was complete, the team visited and worked with MOP at MOP's Good Shepherd Home where they performed tasks ranging from playing sport with the children to washing clothes and cleaning the residents, all of whom are mentally or physically handicapped, in some cases severely. The team also donated food, clothes and toys to the residents. As one of the team members, Michael Richardson, observed, "A confronting day but one that will stay with us for the rest of our lives. Hats off to the brothers who dedicate their lives giving to the people who most need their help."

The next place visited by the team was M-LISADA which helps lift children out of poverty by teaching them to play musical instruments. M-LISADA's band regularly gets paid to play at events in Kampala. After a tour of the surrounding slums the team was treated to a concert by the children, featuring performances by a brass band, African dancers and acrobats.

"It was great to see the positive impact M-LISADA is having on these children's lives, and our donation of clothing, school equipment and toys was very gratefully received. It was also amazing to see the impact that these visits have on the children, with several of them remembering Sarah Chia and other members of the 2009 team."

Finally the team went to Gateway where they donated goods including clothes, shoes, toys and mosquito nets.

Traveller Tegan Knight, reflecting on her experience, wrote:

"We should not feel guilty for the difference between our circumstances and those of many of the children in Uganda but we must remember how lucky we are, and that we are one people. We all need food, we all need water and we all need hope for tomorrow.

Thank you to everyone who has contributed to the Kain C+C Charitable Foundation's 2011 Uganda Project. From those who donated cash, clothes or toys to our loved ones back in Australia who have worried for our safety while in Africa. Your assistance has made a small contribution in giving the people of Uganda hope that their circumstances will one day be different. Goodbye Africa, we will not forget you."

Following the teams return to Adelaide, the Foundation consolidated the 2011 team's great work by contributing the funds to purchase two urgently needed suction machines and two oxygen concentrators for the UACO hospital.





CORPORATE PARTNERS

Historically the Corporate Partners have played a vital role in the Uganda Project, sending representatives from their organisations to participate in the hands on work on the ground in Uganda. The Corporate Partners are yet to participate in the Disadvantaged Youth Project or the Adelaide Homeless Project. It is a goal of the Foundation over the next three years to extend an invitation to each of the Corporate Partners to participate in each of the Foundation's projects in order to better fulfil the first limb of its Mission of 'unlocking compassion'.

During FY12 the Corporate Partners provided:

- funding to a pre-agreed level either through their own donations or fundraising activities;
- in kind contributions;
- volunteering members of their teams to work on the Foundation's projects; and
- representation on the Foundation's Board.

The Corporate Partners in 2012 were:

KAIN C+C LAWYERS	South Australia's premier boutique corporate and commercial lawyers
TWO HANDS WINES	Boutique winery producing some of Australia's highest quality wines
PERKS	One of Adelaide's premier mid-tier accounting firms
BLUE SKY	One of Australia's emerging alternative asset managers
P&R ELECTRICAL WHOLESALERS	South Australia's largest independent electrical wholesaler

kain C+CTM
LAWYERS



Perks.
Integrated business services

BlueSky
Alternative Thinking





Corporate partner model case study

Two Hands Wines is a South Australian based wine maker with a head office in Adelaide and a cellar door located in the beautiful Barossa Valley just outside of Marananga. Two Hands Wines makes high quality shiraz based wines with quality driving all decisions from fruit and oak selection to packaging and promotion.

In 2010, Two Hands Wines joined with the Foundation to help raise money for the 2010 Uganda Project. They did it by integrating fundraising with the wine tasting experience for customers at the Marananga cellar door.

Cellar door manager Shannon Kruschel explains:

“When customers arrive at the cellar door they are taken through the Two Hands tasting process and part of that process is a \$5 tasting fee that is donated directly to the Kain C+C Charitable Foundation. We explain what the Foundation does in Uganda and where their money is going.

The feedback received from our customers has been amazing. Most are happy to pay the \$5 and the reality is many are happy to donate much more once they hear about the project and the work that the travelling party do in Uganda each year.

It really adds to our customer experience and to our brand.”

From the Foundation’s perspective, not only does the Two Hands Wines model raise a significant portion of the Foundation’s donations each year but it also exposes the Foundation to over 10,000 customers each year hearing about the projects and spreading the message of philanthropy.

The Foundation looks forward to the continuing support of its Corporate Partners through FY13 and beyond.



GOVERNANCE

Structure

The Foundation was established in 2005 as a trust. Kain C+C Charities Pty Limited ACN 115 024 309 is the trustee of the Foundation.

The Foundation is a public ancillary fund and has been endorsed by the Australian Taxation Office as a deductible gift recipient. All donations to the Foundation are tax deductible.

Board

Kain C+C Lawyers Pty Limited ACN 137 053 395 is the sole shareholder of Kain C+C Charities Pty Limited and has appointed a board of four directors in accordance with the Foundation's governance policies and the Australian Taxation Office's requirements for public ancillary funds.



Ray Pincombe - Independent Chairman

Since his appointment as a director in April 2010, Ray has been the Chair of the board.

Ray brings to the Foundation's board a wealth of experience, including from his roles as CEO in local government and as the National President of Local Government Managers Australia.



Sarah Chia - Director

Sarah was the Chair of the Board until April 2010 and has been a director since the Foundation was established.

Sarah is a lawyer and a team member of Kain C+C Lawyers. She was a member of the team which travelled to Uganda in August 2009 and again in 2011 as part of the Foundation's Uganda Project.

In addition to the Foundation, Sarah has served on the board of Morialta Charitable Trust Inc. which helps disadvantaged children in South Australia.



Michael Richardson - Managing Director

Michael was appointed Managing Director of the Foundation in February 2012. He is a Chartered Accountant and has the role of Financial and Operations Director at Kain C+C Lawyers.

In his role as Managing Director of the Foundation, Michael is responsible for the development and execution of the Foundation's strategic objectives.



Phil Kightley - Independent Director

Phil joined the Board of the Foundation in June 2012. Trained as a Chartered Accountant in England, Phil has expanded his skill set by working in a number of roles around the world including his current position of General Manager at Two Hands Wines which he has held since 2009.

The Board composition complies with the Australian Taxation Office's requirements for public ancillary funds and the Foundation's policies that require:

- between three and six directors;
- at least two and no more than three directors from the Kain C+C Lawyers team;
- at least one director external to Kain C+C Lawyers.

During FY12, Michelle Hutton and Pat Hodby resigned as directors of the Foundation. They were replaced by Michael Richardson, Managing Director and Phil Kightley, Independent Director.

The directors' terms and positions are set out in the table below.

Board member	Position	First appointment date	Current appointment date	Expiry date
Sarah Chia	Director	10 October 2005	10 October 2005	AGM following 30 June 2012
Ray Pincombe	Chairman	22 April 2010	22 April 2010	AGM following 30 June 2013
Michael Richardson	Managing Director	3 February 2012	3 April 2012	AGM following 30 June 2015
Phil Kightley	Director	5 June 2012	5 June 2012	AGM following 30 June 2015

Meetings

Between 1 July 2011 and 30 June 2012 board attendances were as follows:

Director	Number of meetings held while a director	Number of meetings attended
Ray Pincombe	6	5
Michael Richardson	2	2
Sarah Chia	6	5
Phil Kightley	1	1
Pat Hodby	4	1
Michelle Hutton	2	1

Governance

The Foundation is committed to observing a demonstrably high standard of corporate governance. This commitment is manifest in internal policies which govern, amongst other things, appointment and rotation of directors, meetings procedures and reporting requirements.



FINANCIAL REPORT

During FY12 the Foundation had a largely internal focus; firstly on developing and implementing a three year strategic plan for the Foundation and secondly on embedding relationships with current Corporate Partners.

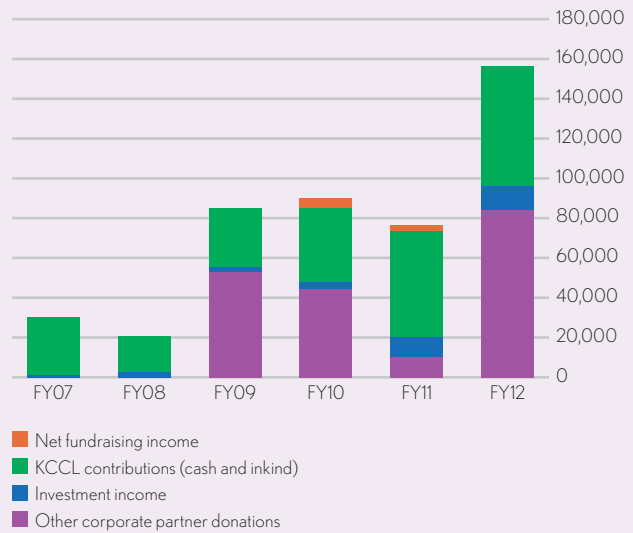
The internal focus during FY12 meant that the Foundation accumulated a significant amount of funds during the year (\$132k) and only distributed a small amount (\$9.3k) to projects. Part of the reason for this was a timing difference with a major donation to Uganda made in early July 2012 (rather than in June hence not being captured in the appropriate financial year). Given the increase in cash reserves it is the intention of the Foundation to distribute over \$100k to projects in FY13 with funds being committed to completing the operating theatre in UACO and to another building in the Watoto village in Suubi.

Where does the money come from?

The Foundation's three principal income sources are donations from Corporate Partners, fundraising and investment income.

The following chart shows the sources of income from FY07 to FY12.

Where our donations come from:



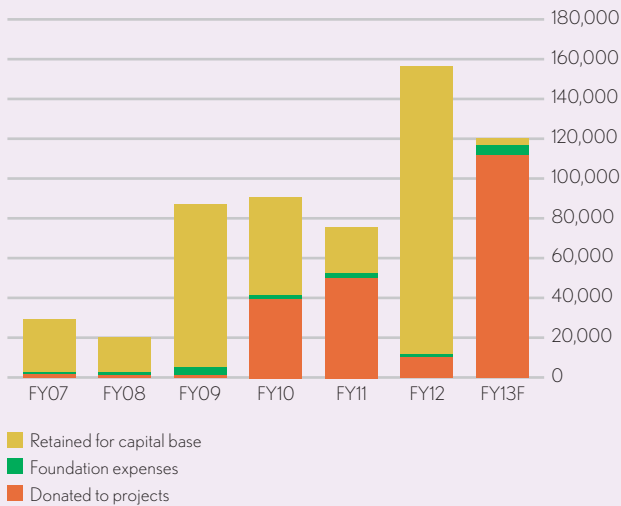
Note to chart: On 1 July 2011, the Foundation received a \$41,273 donation from Two Hands Wines attributable to the FY11 financial year (meaning that effectively FY11 donations shown in the chart are \$41K understated and FY12 donations are \$41K overstated).



Where does the money go?

Funds raised are either directed into existing projects, retained to build the long term capital base of the Foundation or used to pay expenses.

Where our donations go:



Note to chart: The Foundation makes a difference to the lives of the disadvantaged both through financial contributions and providing hands on support. Without attempting to place a dollar value on the hands on contribution made by our Corporate Partners, the non-financial contribution to Foundation projects far outweighs the financial contribution. The chart above shows where donations received have been directed. It should be noted that FY12 was an unusually low year for money donated to projects. This was mainly due to a timing difference whereby \$45k of funding for the August 2012 Uganda Project was not paid until July 2012 where in previous years funding for the Uganda Project was required months in advance thus falling into the previous financial year. The FY13 forecast bar in the chart shows the anticipated use of funds for the FY13 financial year.

Expense ratio

Much has been written in recent times about the lack of transparency in the expenditure of some not-for-profit organisations. New government legislation including the establishment of the Australian Charities and Not-for-profits Commission aims to increase transparency in the not-for-profit sector.

The Foundation is acutely aware of the great trust bestowed upon it by our many supporters. To honour that trust the Foundation is committed to:

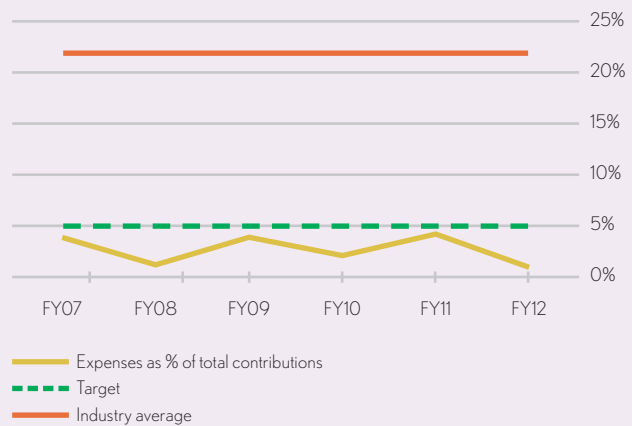
- ensuring that administration costs do not exceed an expense ratio of 5% of contributions received; and
- transparent disclosure of all administration costs.

Through these commitments the Foundation ensures that the money contributed by its supporters is applied to its projects or building the capital base of the Foundation and not to unnecessary administration costs and other overheads.

To allow the Foundation to operate within this self imposed expense ratio, Corporate Partner Kain C+C Lawyers meets all administration costs and overheads which would otherwise exceed this expense ratio.

The following table compares the Foundation's expense ratio to an industry average.

Expenses as a percentage of total contributions:



Note to chart: Industry average was taken from The Advertiser on 24 October 2011 based on a survey of 40 Australian charities with fundraising revenue of over \$1 million per annum.





CONTENTS

Income Statement	20
Statement of Financial Position	20
Notes to the Financial Statements	21
Trustee Declaration	22
Independent Audit Report	24



 ABN 63 425 376 446

FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2012

Income Statement

	Note	2012 \$	2011 \$
Revenue		132,628	50,716
Other income		10,827	10,380
Donations		(9,368)	(49,468)
Other expenses		(1,429)	(2,124)
Surplus before income tax		132,658	9,504
Surplus after income tax		132,658	9,504

Statement of Financial Position

ASSETS

CURRENT ASSETS

Cash and cash equivalents	2	292,932	160,274
TOTAL CURRENT ASSETS		292,932	160,274
TOTAL ASSETS		292,932	160,274
NET ASSETS		292,932	160,274

EQUITY

Settled sum		10	10
Retained Earnings	3	292,922	160,264
TOTAL EQUITY		292,932	160,274

Notes to the Financial Statements

1 Summary of Significant Accounting Policies

(a) Basis of Preparation

This financial report is a special purpose financial report prepared in order to satisfy the financial reporting requirements of the Foundation's constitution and the Public Ancillary Fund Guidelines 2011. The trustee has determined that the Foundation is not a reporting entity.

The financial report has been prepared on a cash basis.

The following significant accounting policies, which are consistent with the previous period unless otherwise stated, have been adopted in the preparation of this financial report.

(b) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts.

(c) Revenue and Other Income

Revenue is measured at the fair value of the consideration received.

Interest revenue is recognised when received.

All dividends received are recognised as revenue when the dividend has been received.

2 Cash and Cash Equivalents

	2012	2011
	\$	\$
Cash on hand	10	10
Cash at bank	142,922	60,264
Short-term bank deposits	150,000	100,000
	292,932	160,274

3 Retained Earnings

Retained earnings at the beginning of the financial year	160,264	150,760
Surplus for the year	132,658	9,504
Retained earnings at end of the financial year	292,922	160,264

Trustee Declaration

4 Trust Details

The registered office and principal place of business of the Foundation is 315 Wakefield Street, Adelaide SA 5000.

The trustee declares that the Foundation is not a reporting entity and that this special purpose financial report should be prepared in accordance with the accounting policies outlined in Note 1 to the financial statements.

The trustee declares that:

1. The financial statements and notes, as set out on pages 1 to 4, present fairly the Foundation's financial position as at 30 June 2012 and its performance for the year ended on that date in accordance with the accounting policies described in Note 1 to the financial statements;
2. In the trustee's opinion, there are reasonable grounds to believe that the Foundation will be able to pay its debts as and when they become due and payable.
3. In the trustee's opinion the Foundation has complied with the Public Ancillary Fund Guidelines 2011.

This declaration is made in accordance with a resolution of the trustees.

Trustee

Dated this 12th day of December 2012

Part A: Financial Report

We have audited the accompanying financial report, being a special purpose financial report, of Kain C&C Charitable Foundation (the Foundation), which comprises the statement of financial position as at 30 June 2012, and the income statement for the year then ended, a summary of significant accounting policies, other explanatory notes and the trustee declaration.

Trustee's responsibility for the Financial Report

The trustee of the Foundation is responsible for the preparation of the financial report and has determined that the basis of accounting described in Note 1 is appropriate to meet the financial requirements of the Foundation's constitution and the Public Ancillary Fund Guidelines 2011. The trustee's responsibility also includes such internal control as the trustee determines is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the trustee, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial report presents fairly, in all material respects, the financial position of Kain C&C Charitable Foundation as of 30 June 2012 and of its financial performance for the year then ended in accordance with the accounting policies described in Note 1 to the financial statements, the requirements of the Foundation's constitution and the Public Ancillary Fund Guidelines 2011.

Basis of Accounting and Restriction on Distribution

Without modifying our opinion, we draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial report has been prepared to assist Kain C&C Charitable Foundation to meet the requirements of the Foundation's constitution and the Public Ancillary Fund Guidelines 2011. As a result, the financial report may not be suitable for another purpose.



Independent Audit Report

Part B: Compliance

Trustee's Responsibility for Compliance

The trustee is responsible for complying with the requirements of the Public Ancillary Fund Guidelines 2011.

Auditor's Responsibility

Our responsibility is to express an opinion on the trustee's compliance, based on the compliance engagement. Our audit has been conducted in accordance with applicable Standards on Assurance Engagements to provide reasonable assurance that the trustees of the Foundation complied, in all material respects, with the Public Ancillary Fund Guidelines 2011.

Our procedures included examination, on a test basis, of evidence supporting compliance with the Public Ancillary Fund Guidelines 2011. These tests have not been performed continuously throughout the year and were not designed to detect all instances of non-compliance.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the trustee of the Foundation has complied, in all material respects, with the Public Ancillary Fund Guidelines 2011 for the year ended 30 June 2012.

PERKS AUDIT & ASSURANCE

180 Greenhill Road

Parkside

South Australia 5063

PETER J HILL

Partner

Registered Company Auditor

Dated this 12th day of December 2012

GLOSSARY

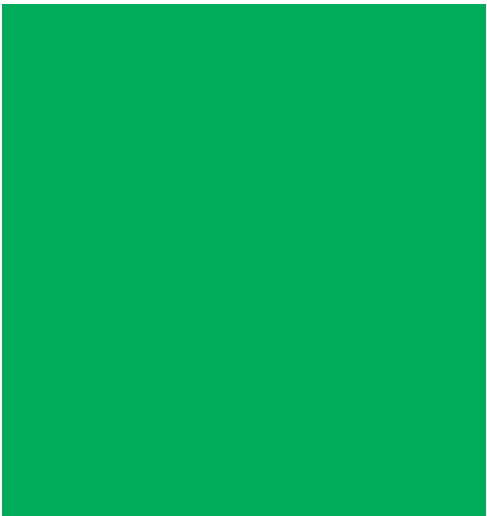
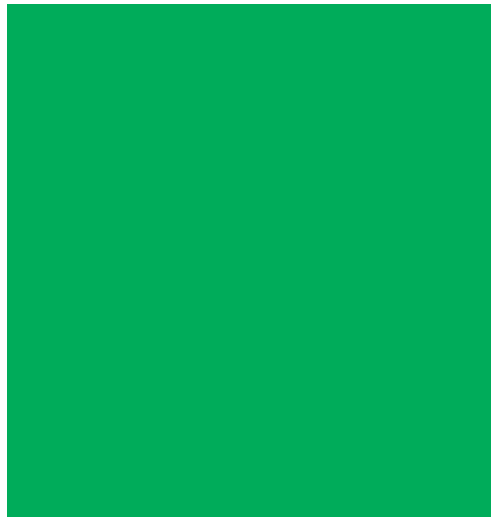
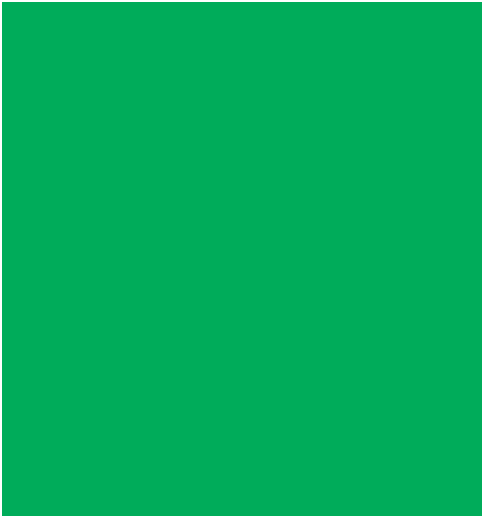
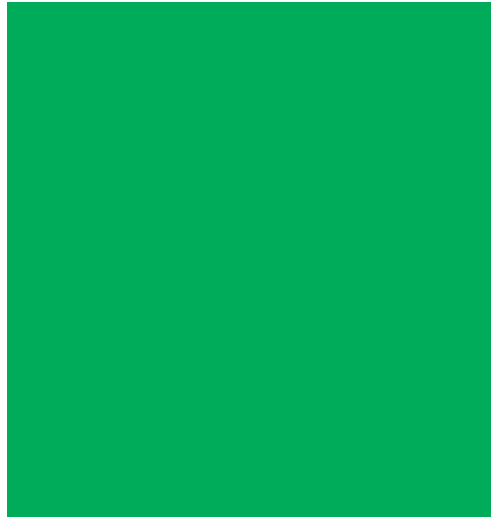
TERM	MEANING
AGM	Annual General Meeting
BOARD	The Board of directors of the Foundation
CORPORATE PARTNER	Kain C+C Lawyers Two Hands Wines Perks Blue Sky Alternative Investments P&R Electrical Wholesalers
FOUNDATION	Kain C+C Charities Pty Limited ACN 115 024 309 as trustee of the Kain C+C Charitable Foundation ABN 63 425 376 446
FYXX	The financial year ending 30 June 20XX
KAIN C+C LAWYERS	Kain C+C Lawyers Pty Limited ACN 137 053 385
KCCL	Kain C+C Lawyers Pty Limited ACN 137 053 385
MISSION	Unlocking compassion to change our world
MOP	Missionaries of the Poor
SERVICE PARTNER	An organisation that the Foundation works with to help achieve its Mission
UACO	Uganda Australia Christian Outreach
WATOTO	Watoto Childcare Ministries





NOTES





kainC+CTM
CHARITABLE
FOUNDATION

UNLOCKING COMPASSION TO CHANGE OUR WORLD

315 Wakefield Street, Adelaide SA 5000 Phone 08 7220 0900 Fax 08 7220 0911 kaincc.com/foundation